

dB  
SAC  
Reker  
Ro  
JC  
ig  
ed

, authorizing the state to  
forgive payment of loans  
made to a school district  
for partially financing  
facilities,

By: [Signature]  
(Bivins)

S.J.R. No. 4

SENATE  
A JOINT RESOLUTION

1 proposing a constitutional amendment authorizing the issuance of  
2 \$750 million in state general obligation bonds <sup>or revenue bonds</sup> to assist school  
3 districts in <sup>partially</sup> financing facilities and repealing the authorization  
4 for \$750 million in state revenue bonds guaranteed by the permanent  
5 school fund.

6 BE IT RESOLVED BY THE LEGISLATURE OF THE STATE OF TEXAS:  
7 SECTION 1. Article VII, Section 5 <sup>Subsection (b),</sup> of the Texas  
8 Constitution is amended to read as follows:

H.A.#1017

H.A.#1017

9 (b) The legislature by law may provide for using the  
10 permanent school fund and the income from the permanent school fund  
11 to guarantee bonds issued by school districts. The legislature by  
12 law may provide for the issuance of general obligation bonds <sup>or revenue bonds</sup> of [or  
13 by] the state for the purpose of making loans to or purchasing the  
14 bonds of school districts for the purpose of acquisition,  
15 construction, or improvement of instructional facilities including  
16 all furnishings thereto. The state, pursuant to general law, may  
17 forgive the payment of principal and interest on all or part of a  
18 loan made to a school district under this section to <sup>partially</sup> finance an  
19 instructional facility [If--any-payment-is-required-to-be-made-by  
20 the-permanent-school-fund-as-a-result-of--its--guarantee--of--bonds  
21 issued--by--the--state,--an--amount--equal-to-this-payment-shall-be  
22 immediately-paid-by-the-state-from--the-treasury--to--the--permanent  
23 school--fund.---An-amount-owed-by-the-state-to-the-permanent-school  
24 fund-under-this-section-shall-be-a-general-obligation-of-the--state

1-26-93  
1-28-93  
2-17-93  
2-18-93  
2-22-93

1 ~~until--paid~~]. The amount of bonds authorized hereunder shall not  
2 exceed \$750 million. While any of the general obligation bonds  
3 issued under this subsection or any of the interest on those bonds  
4 is outstanding and unpaid, there is appropriated out of the first  
5 money coming into the state treasury in each fiscal year, not  
6 otherwise appropriated by this constitution, the amount sufficient  
7 to pay the principal and interest on those bonds that mature or  
8 become due during that year [~~or-a-higher--amount--authorized--by--a~~  
9 ~~two-thirds--record--vote-of-both-houses-of-the-legislature~~]. *Insert H.A.#10*

10 ~~proceeds-of-bonds-issued-by-the-state-are-used-to-provide-a-loan-to~~  
11 ~~a-school-district-and-the-district-becomes-delinquent-on--the--loan~~  
12 ~~payments,--the--amount--of--the-delinquent-payments-shall-be-offset~~  
13 ~~against-state-aid-to-which-the-district-is-otherwise-entitled~~].

14 SECTION 2. *Insert H.A.#42* This proposed constitutional amendment shall be  
15 submitted to the voters at an election to be held May 1, 1993. The  
16 ballot shall be printed to provide for voting for or against the  
17 proposition: "The constitutional amendment authorizing the  
18 issuance of \$750 million in state general obligation bonds to  
19 *H.A.#102* assist school districts in *partially* financing facilities *Insert H.A.#3* and repealing the  
20 authorization for \$750 million in state revenue bonds guaranteed by  
21 the permanent school fund."  $\frac{2}{3}$

By: Bivins S.J.R. No. 4  
(In the Senate - Filed January 18, 1993; January 19, 1993,  
read first time and referred to Committee on Education;  
January 26, 1993, reported favorably by the following vote: Yeas  
9, Nays 2; January 26, 1993, sent to printer.)

COMMITTEE VOTE

	Yea	Nay	PNV	Absent
Ratliff	x			
Haley	x			
Barrientos	x			
Bivins	x			
Harris of Tarrant		x		
Luna	x			
Montford	x			
Shapiro		x		
Sibley	x			
Turner	x			
Zaffirini	x			

SENATE JOINT RESOLUTION

proposing a constitutional amendment authorizing the issuance of  
\$750 million in state general obligation bonds to assist school  
districts in financing facilities and repealing the authorization  
for \$750 million in state revenue bonds guaranteed by the permanent  
school fund.

BE IT RESOLVED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Article VII, Section 5, Subsection (b), of the  
Texas Constitution is amended to read as follows:

(b) The legislature by law may provide for using the  
permanent school fund and the income from the permanent school fund  
to guarantee bonds issued by school districts. The legislature by  
law may provide for the issuance of general obligation bonds of [or  
by] the state for the purpose of making loans to or purchasing the  
bonds of school districts for the purpose of acquisition,  
construction, or improvement of instructional facilities including  
all furnishings thereto. The state, pursuant to general law, may  
forgive the payment of principal and interest on all or part of a  
loan made to a school district under this section to finance an  
instructional facility [if any payment is required to be made by  
the permanent school fund as a result of its guarantee of bonds  
issued by the state, an amount equal to this payment shall be  
immediately paid by the state from the treasury to the permanent  
school fund. An amount owed by the state to the permanent school  
fund under this section shall be a general obligation of the state  
until paid]. The amount of bonds authorized hereunder shall not  
exceed \$750 million. While any of the general obligation bonds  
issued under this subsection or any of the interest on those bonds  
is outstanding and unpaid, there is appropriated out of the first  
money coming into the state treasury in each fiscal year, not  
otherwise appropriated by this constitution, the amount sufficient  
to pay the principal and interest on those bonds that mature or  
become due during that year [or a higher amount authorized by a  
two-thirds record vote of both houses of the legislature. If the  
proceeds of bonds issued by the state are used to provide a loan to  
a school district and the district becomes delinquent on the loan  
payments, the amount of the delinquent payments shall be offset  
against state aid to which the district is otherwise entitled].

SECTION 2. This proposed constitutional amendment shall be  
submitted to the voters at an election to be held May 1, 1993. The  
ballot shall be printed to provide for voting for or against the  
proposition: "The constitutional amendment authorizing the  
issuance of \$750 million in state general obligation bonds to  
assist school districts in financing facilities and repealing the  
authorization for \$750 million in state revenue bonds guaranteed by  
the permanent school fund."

\* \* \* \* \*

Austin, Texas  
January 26, 1993

Hon. Bob Bullock  
President of the Senate

Sir:

We, your Committee on Education to which was referred S.J.R. No. 4, have had the same under consideration, and I am instructed to report it back to the Senate with the recommendation that it do pass and be printed.

Ratliff, Chairman

\* \* \* \* \*

WITNESSES

FOR      AGAINST      ON

---

Name: Lonnie Hollingsworth, Jr.  
Representing: Texas Classroom Teachers Assn  
City: Austin      x

---

**FAVORABLE  
SENATE COMMITTEE REPORT ON**

SB SCR SJR SR HB HCR HJR 4

By Burns

(Author/Senate Sponsor)

1/26/93  
(date of submission to Senate)

Lt. Governor Bob Bullock  
President of the Senate

Sir:

We, your Committee on Education, to which was referred the attached measure, have on January 26, 1993, had the same under consideration and I am instructed to report it back with the recommendation (s) that it:

- ☒ do pass and be printed  
☐ do pass and be ordered not printed  
☐ and is recommended for placement on the Local and Uncontested Bills Calendar.

A fiscal note was requested. ☒ yes ☐ no

A revised fiscal note was requested. ☐ yes ☒ no

An actuarial analysis was requested. ☒ yes ☐ no

Considered by subcommittee. ☐ yes ☐ no

The measure was reported from Committee by the following vote:

	YEA	NAY	ABSENT	PNV
<u>Ratliff</u>	<input checked="" type="checkbox"/>			
<u>Haldy</u>	<input checked="" type="checkbox"/>			
<u>Barrientos</u>	<input checked="" type="checkbox"/>			
<u>Burns</u>	<input checked="" type="checkbox"/>			
<u>G. Harris</u>		<input checked="" type="checkbox"/>		
<u>Long</u>	<input checked="" type="checkbox"/>			
<u>Montford</u>	<input checked="" type="checkbox"/>			
<u>Shapiro</u>		<input checked="" type="checkbox"/>		
<u>Sikler</u>	<input checked="" type="checkbox"/>			
<u>Turley</u>	<input checked="" type="checkbox"/>			
<u>Zaffrine</u>	<input checked="" type="checkbox"/>			
TOTAL VOTES	<u>9</u>	<u>2</u>		

**COMMITTEE ACTION**

S260 Considered in public hearing

S270 Testimony taken

Patricia Hicks  
COMMITTEE CLERK

Ratcliff  
CHAIRMAN

Paper clip the original and one copy of this signed form to the original bill  
Deliver one copy of this form to the Calendar Clerk, Room 218 Capitol  
Deliver one copy of this form to the Legislative Reference Library, Room 207B Capitol  
Retain one copy of this form for Committee files

**LEGISLATIVE BUDGET BOARD**

**Austin, Texas**

**FISCAL NOTE  
73rd Regular Session**

**January 20, 1993**

**TO: Honorable Bill Ratliff, Chairman  
Committee on Education  
Senate Chamber  
Austin, Texas**

**IN RE: Senate Joint Resolution No. 4  
By: Bivins**

**FROM: Jim Oliver, Director**

In response to your request for a Fiscal Note on Senate Joint Resolution No. 4 (proposing a constitutional amendment authorizing the issuance of \$750 million in state general obligation bonds to assist school districts in financing facilities and repealing the authorization for \$750 million in state revenue bonds guaranteed by the permanent school fund) this office has determined the following:

The resolution proposes a constitutional amendment which, if adopted, would authorize issuance of general obligation bonds for a school facilities program.

The state would incur costs associated with debt service on general obligation bonds issued to support a school facilities program. The Comptroller's Office projects debt service costs of \$33.8 million in 1994, and \$67.5 million thereafter. The costs could be less in early years depending on how long it takes to make the program operational. Actual costs would depend on the level of appropriations.

Local school districts would benefit to the extent they receive state assistance in constructing and renovating school facilities.

The cost of publication of the resolution to the State is \$60,000.

**Source: Comptroller of Public Accounts, Teacher Retirement System, Bond Review Board;  
LBB Staff: JO, JWH, JOB, EC, PA**

January 28 1993 Engrossed  
Dorsey Spaw  
Enrolling Clerk

93 JAN 29 PM 1:52  
HOUSE OF REPRESENTATIVES

I certify that the attached is a true and correct  
copy of SJR 4, which was  
received from the Senate on 1-29-93 and  
referred to the Committee on Public Education

Betty Mussery  
Chief Clerk of the House

By: Bivins

S.J.R. No. 4

(Swinford, Hernandez  
Linebarger)

SENATE JOINT RESOLUTION

1 proposing a constitutional amendment authorizing the issuance of  
2 \$750 million in state general obligation bonds to assist school  
3 districts in financing facilities and repealing the authorization  
4 for \$750 million in state revenue bonds guaranteed by the permanent  
5 school fund.

6 BE IT RESOLVED BY THE LEGISLATURE OF THE STATE OF TEXAS:

7 SECTION 1. Article VII, Section 5, Subsection (b), of the  
8 Texas Constitution is amended to read as follows:

9 (b) The legislature by law may provide for using the  
10 permanent school fund and the income from the permanent school fund  
11 to guarantee bonds issued by school districts. The legislature by  
12 law may provide for the issuance of general obligation bonds of [or  
13 by] the state for the purpose of making loans to or purchasing the  
14 bonds of school districts for the purpose of acquisition,  
15 construction, or improvement of instructional facilities including  
16 all furnishings thereto. The state, pursuant to general law, may  
17 forgive the payment of principal and interest on all or part of a  
18 loan made to a school district under this section to finance an  
19 instructional facility [if--any-payment-is-required-to-be-made-by  
20 the-permanent-school-fund-as-a-result-of--its--guarantee--of--bonds  
21 issued--by--the--state,--an--amount--equal-to-this-payment--shall-be  
22 immediately-paid-by-the-state-from-the-treasury--to--the--permanent  
23 school--fund.---An-amount-owed-by-the-state-to-the-permanent-school  
24 fund-under-this-section-shall-be-a-general-obligation-of-the--state

~~until--paid].~~ The amount of bonds authorized hereunder shall not  
 exceed \$750 million. While any of the general obligation bonds  
issued under this subsection or any of the interest on those bonds  
is outstanding and unpaid, there is appropriated out of the first  
money coming into the state treasury in each fiscal year, not  
otherwise appropriated by this constitution, the amount sufficient  
to pay the principal and interest on those bonds that mature or  
become due during that year ~~[or-a-higher--amount--authorized--by--a~~  
~~two-thirds--record--vote-of-both-houses-of-the-legislature;--if-the~~  
~~proceeds-of-bonds-issued-by-the-state-are-used-to-provide-a-loan-to~~  
~~a-school-district-and-the-district-becomes-delinquent-on--the--loan~~  
~~payments;--the--amount--of--the-delinquent-payments-shall-be-offset~~  
~~against-state-aid-to-which-the-district-is-otherwise-entitled].~~

SECTION 2. This proposed constitutional amendment shall be  
 submitted to the voters at an election to be held May 1, 1993. The  
 ballot shall be printed to provide for voting for or against the  
 proposition: "The constitutional amendment authorizing the  
 issuance of \$750 million in state general obligation bonds to  
 assist school districts in financing facilities and repealing the  
 authorization for \$750 million in state revenue bonds guaranteed by  
 the permanent school fund."



**LEGISLATIVE BUDGET BOARD**

**Austin, Texas**

**FISCAL NOTE  
73rd Regular Session**

**January 27, 1993  
REVISED**

**TO: Honorable Bill Ratliff, Chairman  
Committee on Education  
Senate Chamber  
Austin, Texas**

**IN RE: Senate Joint Resolution No. 4  
By: Bivins**

**FROM: Jim Oliver, Director**

In response to your request for a Fiscal Note on Senate Joint Resolution No. 4 (proposing a constitutional amendment authorizing the issuance of \$750 million in state general obligation bonds to assist school districts in financing facilities and repealing the authorization for \$750 million in state revenue bonds guaranteed by the permanent school fund) this office has determined the following:

The resolution proposes a constitutional amendment which, if adopted, would authorize issuance of general obligation bonds for a school facilities program.

The state would incur costs associated with debt service on general obligation bonds issued to support a school facilities program. The Comptroller's Office projects debt service costs of \$22.5 million in 1994, \$56.3 million in 1995, and \$67.5 million thereafter. The costs could be less in early years depending on how long it takes to make the program operational. Actual costs would depend on the level of appropriations.

Local school districts would benefit to the extent they receive state assistance in constructing and renovating school facilities.

The cost of publication of the resolution to the State is \$60,000.

**Source: Comptroller of Public Accounts, Teacher Retirement System, Bond Review Board;  
LBB Staff: JO, JWH, JOB, EC, LC**

**LEGISLATIVE BUDGET BOARD**  
**Austin, Texas**

**FISCAL NOTE**  
**73rd Regular Session**

**January 20, 1993**

TO: Honorable Bill Ratliff, Chairman  
Committee on Education  
Senate Chamber  
Austin, Texas

IN RE: Senate Joint Resolution No. 4  
By: Bivins

FROM: Jim Oliver, Director

In response to your request for a Fiscal Note on Senate Joint Resolution No. 4 (proposing a constitutional amendment authorizing the issuance of \$750 million in state general obligation bonds to assist school districts in financing facilities and repealing the authorization for \$750 million in state revenue bonds guaranteed by the permanent school fund) this office has determined the following:

The resolution proposes a constitutional amendment which, if adopted, would authorize issuance of general obligation bonds for a school facilities program.

The state would incur costs associated with debt service on general obligation bonds issued to support a school facilities program. The Comptroller's Office projects debt service costs of \$33.8 million in 1994, and \$67.5 million thereafter. The costs could be less in early years depending on how long it takes to make the program operational. Actual costs would depend on the level of appropriations.

Local school districts would benefit to the extent they receive state assistance in constructing and renovating school facilities.

The cost of publication of the resolution to the State is \$60,000.

Source: Comptroller of Public Accounts, Teacher Retirement System, Bond Review Board;  
LBB Staff: JO, JWH, JOB, EC, PA

93 FEB 15 PM 7:08

HOUSE OF REPRESENTATIVES

# HOUSE COMMITTEE REPORT

1<sup>st</sup> Printing

By: Bivins

S.J.R. No. 4

(Swinford, Hernandez  
Linebarger)

## SENATE JOINT RESOLUTION

proposing a constitutional amendment authorizing the issuance of \$750 million in state general obligation bonds to assist school districts in financing facilities and repealing the authorization for \$750 million in state revenue bonds guaranteed by the permanent school fund.

BE IT RESOLVED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Article VII, Section 5, Subsection (b), of the Texas Constitution is amended to read as follows:

(b) The legislature by law may provide for using the permanent school fund and the income from the permanent school fund to guarantee bonds issued by school districts. The legislature by law may provide for the issuance of general obligation bonds of [or by] the state for the purpose of making loans to or purchasing the bonds of school districts for the purpose of acquisition, construction, or improvement of instructional facilities including all furnishings thereto. The state, pursuant to general law, may forgive the payment of principal and interest on all or part of a loan made to a school district under this section to finance an instructional facility [if--any-payment-is-required-to-be-made-by the-permanent-school-fund-as-a-result-of--its--guarantee--of--bonds issued--by--the--state,--an--amount--equal--to--this-payment--shall--be immediately-paid-by-the-state-from-the-treasury--to--the--permanent school--fund,---An-amount-owed-by-the-state-to-the-permanent-school fund-under-this-section-shall-be-a-general-obligation-of-the--state

1 ~~until--paid~~]. The amount of bonds authorized hereunder shall not  
 2 exceed \$750 million. While any of the general obligation bonds  
 3 issued under this subsection or any of the interest on those bonds  
 4 is outstanding and unpaid, there is appropriated out of the first  
 5 money coming into the state treasury in each fiscal year, not  
 6 otherwise appropriated by this constitution, the amount sufficient  
 7 to pay the principal and interest on those bonds that mature or  
 8 become due during that year [~~or-a-higher--amount--authorized--by--a~~  
 9 ~~two-thirds--record--vote-of-both-houses-of-the-legislature--if-the~~  
 10 ~~proceeds-of-bonds-issued-by-the-state-are-used-to-provide-a-loan-to~~  
 11 ~~a-school-district-and-the-district-becomes-delinquent-on--the--loan~~  
 12 ~~payments--the--amount--of--the-delinquent-payments-shall-be-offset~~  
 13 ~~against-state-aid-to-which-the-district-is-otherwise-entitled~~].

14 SECTION 2. This proposed constitutional amendment shall be  
 15 submitted to the voters at an election to be held May 1, 1993. The  
 16 ballot shall be printed to provide for voting for or against the  
 17 proposition: "The constitutional amendment authorizing the  
 18 issuance of \$750 million in state general obligation bonds to  
 19 assist school districts in financing facilities and repealing the  
 20 authorization for \$750 million in state revenue bonds guaranteed by  
 21 the permanent school fund."

COMMITTEE REPORT

The Honorable Pete Laney  
Speaker of the House of Representatives

02-15-93  
(date)

Sir:

We, your COMMITTEE ON PUBLIC EDUCATION  
to whom was referred S. J. R. 4 have had the same under consideration and beg to report  
(measure)  
back with the recommendation that it  
(X ) do pass, without amendment.  
( ) do pass, with amendment(s).  
( ) do pass and be not printed; a Complete Committee Substitute is recommended in lieu of the original measure.

A fiscal note was requested. (X ) yes ( ) no      An author's fiscal statement was requested. ( ) yes (X) no

A criminal justice policy impact statement was requested. ( ) yes (X) no

An equalized educational funding impact statement was requested. (X) yes ( ) no

An actuarial impact statement was requested. ( ) yes (X) no

A water development policy impact statement was requested. ( ) yes (X) no

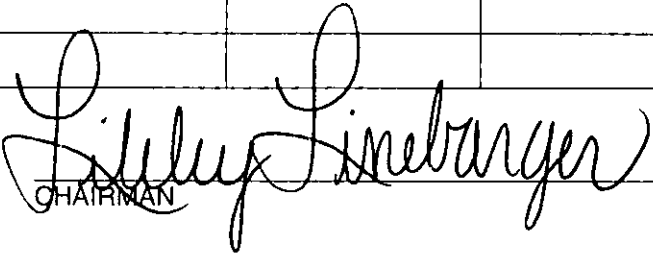
( ) The Committee recommends that this measure be sent to the Committee on Local and Consent Calendars.

House Sponsor of Senate Measure Swinford, Hernandez, Linebarger

The measure was reported from Committee by the following vote:

	AYE	NAY	PNV	ABSENT
Linebarger, Ch.	X			
Ogden, V.C.	X			
Dear	X			
Grusendorf	X			
Hernandez	X			
Hochberg	X			
Johnson	X			
McCoulskey	X			
Sadler				X
Stiles	X			
West				X

Total      9    aye  
              0    nay  
              0    present, not voting  
              2    absent

  
CHAIRMAN

## HOUSE PUBLIC EDUCATION COMMITTEE

### RESOLUTION ANALYSIS

S.J.R. 4

By: Bivins  
(Swinford)

#### BACKGROUND

The 71st Legislature approved a constitutional amendment authorizing the issuance of \$750 million in state revenue bonds guaranteed by the permanent school fund. The amendment was approved by the voters at an election held in November 1989, but the bonds have not been issued.

#### PURPOSE

As proposed, S.J.R. 4 requires the submission to the voters of a constitutional amendment to authorize the issuance of \$750 million in state general obligation bonds to assist school districts in financing facilities and repealing the authorization for \$750 million in state revenue bonds guaranteed by the permanent school fund.

#### RULEMAKING AUTHORITY

It is the committee's opinion that this bill does not grant any additional rulemaking authority to a state officer, institution, or agency.

#### SECTION BY SECTION ANALYSIS

Section 1. Amends Section 5(b), Article VII, Texas Constitution, as follows:

(b) Authorizes the legislature to provide for the issuance of general obligation bonds of the state for the purpose of making loans to or purchasing the bonds of school districts for the purpose of acquisition, construction, or improvement of instructional facilities. Authorizes the state to forgive the payment of principal and interest on all or part of a loan made to a school district to finance an instructional facility. Prohibits the amount of bonds issued from exceeding \$750 million. Appropriates out of the first money coming into the state treasury in each fiscal year the amount sufficient to pay the principal and interest on those bonds that mature during that year while any bond issued is outstanding. Deletes provisions requiring the reimbursement from the treasury to the permanent school fund for payments made by the permanent school fund as a result of its guarantee of bonds issued by the state and provision governing delinquent payments from a school district.

Section 2. Requires this proposed amendment to be submitted to the voters on May 1, 1993. Sets forth the required language for the ballot.

#### SUMMARY OF COMMITTEE ACTION

Pursuant to an announcement on the House Floor, January 29, 1993, suspending the 5-day posting rule, the Public Education Committee, met in a Public Hearing February 15, 1993, in Room E1.026 of the Extension. The Chair laid out S.J.R. 4 by Bivins and received testimony from the author. Representative Hernandez moved that S.J.R. 4 be reported favorably to the full House with the recommendation that it do pass and be printed. Representative Johnson seconded the motion. The motion prevailed by the following vote: 9 Ayes, 0 Nays, 2 Absent and 0 PNV.

**LEGISLATIVE BUDGET BOARD**  
**Austin, Texas**

**FISCAL NOTE**  
**73rd Regular Session**

February 1, 1993

TO: Honorable Libby Linebarger, Chair  
Committee on Public Education  
House of Representatives  
Austin, Texas

IN RE: Senate Joint Resolution No. 4, as  
engrossed  
By: Bivins

FROM: Jim Oliver, Director

In response to your request for a Fiscal Note on Senate Joint Resolution No. 4, as engrossed (proposing a constitutional amendment authorizing the issuance of \$750 million in state general obligation bonds to assist school districts in financing facilities and repealing the authorization for \$750 million in state revenue bonds guaranteed by the permanent school fund) this office has determined the following:

The resolution proposes a constitutional amendment which, if adopted, would authorize issuance of general obligation bonds for a school facilities program.

The state would incur costs associated with debt service on general obligation bonds issued to support a school facilities program. The Comptroller's Office projects debt service costs of \$22.5 million in 1994, \$56.3 million in 1995, and \$67.5 million thereafter. The costs could be less in early years depending on how long it takes to make the program operational. Actual costs would depend on the level of appropriations.

Local school districts would benefit to the extent they receive state assistance in constructing and renovating school facilities.

The cost of publication of the resolution to the State is \$60,000.

Source: Comptroller of Public Accounts, Teacher Retirement System, Bond Review Board;  
LBB Staff: JO, JWH, JOB, EC, LC

**LEGISLATIVE BUDGET BOARD**  
**Austin, Texas**

**FISCAL NOTE**  
**73rd Regular Session**

January 27, 1993  
REVISED

TO: Honorable Bill Ratliff, Chairman  
Committee on Education  
Senate Chamber  
Austin, Texas

IN RE: Senate Joint Resolution No. 4  
By: Bivins

FROM: Jim Oliver, Director

In response to your request for a Fiscal Note on Senate Joint Resolution No. 4 (proposing a constitutional amendment authorizing the issuance of \$750 million in state general obligation bonds to assist school districts in financing facilities and repealing the authorization for \$750 million in state revenue bonds guaranteed by the permanent school fund) this office has determined the following:

The resolution proposes a constitutional amendment which, if adopted, would authorize issuance of general obligation bonds for a school facilities program.

The state would incur costs associated with debt service on general obligation bonds issued to support a school facilities program. The Comptroller's Office projects debt service costs of \$22.5 million in 1994, \$56.3 million in 1995, and \$67.5 million thereafter. The costs could be less in early years depending on how long it takes to make the program operational. Actual costs would depend on the level of appropriations.

Local school districts would benefit to the extent they receive state assistance in constructing and renovating school facilities.

The cost of publication of the resolution to the State is \$60,000.

Source: Comptroller of Public Accounts, Teacher Retirement System, Bond Review Board;  
LBB Staff: JO, JWH, JOB, EC, LC



**LEGISLATIVE BUDGET BOARD**

**Austin, Texas**

**FISCAL NOTE  
73rd Regular Session**

**January 20, 1993**

TO: Honorable Bill Ratliff, Chairman  
Committee on Education  
Senate Chamber  
Austin, Texas

IN RE: Senate Joint Resolution No. 4  
By: Bivins

FROM: Jim Oliver, Director

In response to your request for a Fiscal Note on Senate Joint Resolution No. 4 (proposing a constitutional amendment authorizing the issuance of \$750 million in state general obligation bonds to assist school districts in financing facilities and repealing the authorization for \$750 million in state revenue bonds guaranteed by the permanent school fund) this office has determined the following:

The resolution proposes a constitutional amendment which, if adopted, would authorize issuance of general obligation bonds for a school facilities program.

The state would incur costs associated with debt service on general obligation bonds issued to support a school facilities program. The Comptroller's Office projects debt service costs of \$33.8 million in 1994, and \$67.5 million thereafter. The costs could be less in early years depending on how long it takes to make the program operational. Actual costs would depend on the level of appropriations.

Local school districts would benefit to the extent they receive state assistance in constructing and renovating school facilities.

The cost of publication of the resolution to the State is \$60,000.

Source: Comptroller of Public Accounts, Teacher Retirement System, Bond Review Board;  
LBB Staff: JO, JWH, JOB, EC, PA

## **LEGISLATIVE BUDGET BOARD**

### **EQUALIZED EDUCATION FUNDING IMPACT STATEMENT**

February 1, 1993

To: Honorable Libby Linebarger, Chair  
Committee on Public Education

In Re: Senate Joint Resolution No. 4,  
as engrossed

By: Bivins

From: Jim Oliver, Director

In response to your request for an Equalized Education Funding Impact Statement on Senate Joint Resolution No. 4, as engrossed (proposing a constitutional amendment authorizing the issuance of \$750 million in state general obligation bonds to assist school districts in financing facilities and repealing the authorization for \$750 million in state revenue bonds guaranteed by the permanent school fund), this office has determined the following:

The resolution proposes a constitutional amendment which, if adopted, would authorize issuance of general obligation bonds for a school facilities program. This provision could have a slight position impact on equity, but it would depend on the actual extent of state assistance received by school districts.

6

Amendment No. ①

By V. B. C. C. C.

Amend S.J.R. No. 4 as follows:

- ① ✓ (1) In Article VII, Section 5 (6), between "to" and "Finance" (House Committee Report page 1, line 18), insert "partially".
- ② ✓ (2) In Section 2 of the joint resolution, between "in" and "financing" (House Committee Report page 2, line 19), insert "partially".  
replaced by H.A.#4

ADOPTED

FEB 18 1933

B. M. C. C.  
Chief Clerk  
House of Representatives

House Am. #①

2-22-93

JE  
2-18-93

**ADOPTED**

FEB 18 1993

*Betty Messing*  
Chief Clerk  
House of Representatives

AMENDMENT NO. 2

BY Gausemeier

1 Amend S.J.R. No. 4 in Article VII, Section 5(b), by striking  
2 "If the proceeds of bonds issued by the state are used to provide a  
3 loan to a school district and the district becomes delinquent on  
4 the loan payments, the amount of the delinquent payments shall be  
5 offset against state aid to which the district is otherwise  
6 entitled]" and substituting "If the proceeds of bonds issued by  
7 the state are used to provide a loan to a school district and the  
8 district becomes delinquent on the loan payments, the amount of the  
9 delinquent payments shall be offset against state aid to which the  
10 district is otherwise entitled".

House Am. #2  
2-22-93

Amendments

3

Eckels

Amend SJR4 as follows:

On page 2, line 19 after "facilities"  
insert:

authorizing the state to forgive  
payment of loans made to a school  
district for, <sup>partially</sup> financing facilities.

**ADOPTED**

FEB 18 1993

*Betty Murray*  
Chief Clerk  
House of Representatives

replaced  
by HA #4

House Am. # 3  
2-18-93

Amendment No. ①

By Bomer

Amend S.S.R. No. 4 on third reading as follows:

① (1) In Article VII, Section 5(b), between "bonds" and "of" (page 1, line 12), insert "or revenue bonds".

(2) Strike Section 2 and substitute the following:

② This proposed constitutional amendment shall be submitted to the voters at an election to be held May 1, 1993. The ballot shall be printed to provide for voting for or against the proposition: "The constitutional amendment authorizing the issuance of \$750 million in state general obligation or revenue bonds to assist school districts in partially financing facilities, authorizing the state to forgive payments of loans made to a school district for partially financing facilities, and repealing the ~~the~~ authorization for \$750 million in state revenue bonds guaranteed by  $\frac{1}{2}$  the permanent school fund."

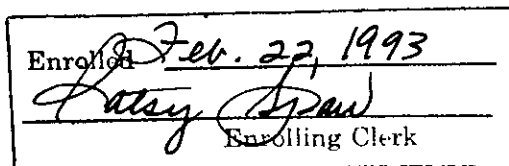
**ADOPTED**

FEB 22 1993

Betty Murray  
Chief Clerk  
House of Representatives

House Am. # 4

2-22-93



S.J.R. No. 4

SENATE JOINT RESOLUTION

1 proposing a constitutional amendment authorizing the issuance of  
2 \$750 million in state general obligation bonds or revenue bonds to  
3 assist school districts in partially financing facilities,  
4 authorizing the state to forgive payment of loans made to a school  
5 district for partially financing facilities, and repealing the  
6 authorization for \$750 million in state revenue bonds guaranteed by  
7 the permanent school fund.

8 BE IT RESOLVED BY THE LEGISLATURE OF THE STATE OF TEXAS:

9 SECTION 1. Article VII, Section 5, Subsection (b), of the  
10 Texas Constitution is amended to read as follows:

11 (b) The legislature by law may provide for using the  
12 permanent school fund and the income from the permanent school fund  
13 to guarantee bonds issued by school districts. The legislature by  
14 law may provide for the issuance of general obligation bonds or  
15 revenue bonds of [or-by] the state for the purpose of making loans  
16 to or purchasing the bonds of school districts for the purpose of  
17 acquisition, construction, or improvement of instructional  
18 facilities including all furnishings thereto. The state, pursuant  
19 to general law, may forgive the payment of principal and interest  
20 on all or part of a loan made to a school district under this  
21 section to partially finance an instructional facility [if--any  
22 payment--is--required--to-be-made-by-the-permanent-school-fund-as-a  
23 result-of-its-guarantee-of-bonds-issued-by--the--state,--an--amount  
24 equal--to--this-payment-shall-be-immediately-paid-by-the-state-from

6E  
82  
80

S.J.R. No. 4

~~the-treasury-to-the-permanent-school-fund---~~~~An-amount-owed--by--the~~  
~~state--to--the--permanent-school-fund-under-this-section-shall-be-a~~  
~~general-obligation-of-the-state-until-paid~~]. The amount of bonds  
authorized hereunder shall not exceed \$750 million. While any of  
the general obligation bonds issued under this subsection or any of  
the interest on those bonds is outstanding and unpaid, there is  
appropriated out of the first money coming into the state treasury  
in each fiscal year, not otherwise appropriated by this  
constitution, the amount sufficient to pay the principal and  
interest on those bonds that mature or become due during that year  
~~[or--a-higher-amount-authorized-by-a-two-thirds-record-vote-of-both~~  
~~houses-of-the-legislature]~~. If the proceeds of bonds issued by the  
state are used to provide a loan to a school district and the  
district becomes delinquent on the loan payments, the amount of the  
delinquent payments shall be offset against state aid to which the  
district is otherwise entitled.

SECTION 2. This proposed constitutional amendment shall be  
submitted to the voters at an election to be held May 1, 1993. The  
ballot shall be printed to provide for voting for or against the  
proposition: "The constitutional amendment authorizing the  
issuance of \$750 million in state general obligation or revenue  
bonds to assist school districts in partially financing facilities,  
authorizing the state to forgive payments of loans made to a school  
district for partially financing facilities, and repealing the  
authorization for \$750 million in state revenue bonds guaranteed by



6F  
et  
ce

S.J.R. No. 4

1 the permanent school fund."

---

President of the Senate

---

Speaker of the House

I hereby certify that S.J.R. No. 4 was adopted by the Senate on January 28, 1993, by the following vote: Yeas 30, Nays 1; and that the Senate concurred in House amendments on February 22, 1993, by the following vote: Yeas 29, Nays 2.

---

Secretary of the Senate

I hereby certify that S.J.R. No. 4 was adopted by the House, with amendments, on February 22, 1993, by the following vote: Yeas 103, Nays 39.

---

Chief Clerk of the House

**LEGISLATIVE BUDGET BOARD**  
**Austin, Texas**

**FISCAL NOTE**  
**73rd Regular Session**

February 1, 1993

TO: Honorable Libby Linebarger, Chair  
Committee on Public Education  
House of Representatives  
Austin, Texas

IN RE: Senate Joint Resolution No. 4, as  
engrossed  
By: Bivins

FROM: Jim Oliver, Director

In response to your request for a Fiscal Note on Senate Joint Resolution No. 4, as engrossed (proposing a constitutional amendment authorizing the issuance of \$750 million in state general obligation bonds to assist school districts in financing facilities and repealing the authorization for \$750 million in state revenue bonds guaranteed by the permanent school fund) this office has determined the following:

The resolution proposes a constitutional amendment which, if adopted, would authorize issuance of general obligation bonds for a school facilities program.

The state would incur costs associated with debt service on general obligation bonds issued to support a school facilities program. The Comptroller's Office projects debt service costs of \$22.5 million in 1994, \$56.3 million in 1995, and \$67.5 million thereafter. The costs could be less in early years depending on how long it takes to make the program operational. Actual costs would depend on the level of appropriations.

Local school districts would benefit to the extent they receive state assistance in constructing and renovating school facilities.

The cost of publication of the resolution to the State is \$60,000.

Source: Comptroller of Public Accounts, Teacher Retirement System, Bond Review Board;  
LBB Staff: JO, JWH, JOB, EC, LC

**LEGISLATIVE BUDGET BOARD**  
**Austin, Texas**

**FISCAL NOTE**  
**73rd Regular Session**

January 27, 1993  
REVISED

TO: Honorable Bill Ratliff, Chairman  
Committee on Education  
Senate Chamber  
Austin, Texas

IN RE: Senate Joint Resolution No. 4  
By: Bivins

FROM: Jim Oliver, Director

In response to your request for a Fiscal Note on Senate Joint Resolution No. 4 (proposing a constitutional amendment authorizing the issuance of \$750 million in state general obligation bonds to assist school districts in financing facilities and repealing the authorization for \$750 million in state revenue bonds guaranteed by the permanent school fund) this office has determined the following:

The resolution proposes a constitutional amendment which, if adopted, would authorize issuance of general obligation bonds for a school facilities program.

The state would incur costs associated with debt service on general obligation bonds issued to support a school facilities program. The Comptroller's Office projects debt service costs of \$22.5 million in 1994, \$56.3 million in 1995, and \$67.5 million thereafter. The costs could be less in early years depending on how long it takes to make the program operational. Actual costs would depend on the level of appropriations.

Local school districts would benefit to the extent they receive state assistance in constructing and renovating school facilities.

The cost of publication of the resolution to the State is \$60,000.

Source: Comptroller of Public Accounts, Teacher Retirement System, Bond Review Board;  
LBB Staff: JO, JWH, JOB, EC, LC

**LEGISLATIVE BUDGET BOARD**  
**Austin, Texas**

**FISCAL NOTE**  
**73rd Regular Session**

**January 20, 1993**

TO: Honorable Bill Ratliff, Chairman  
Committee on Education  
Senate Chamber  
Austin, Texas

IN RE: Senate Joint Resolution No. 4  
By: Bivins

FROM: Jim Oliver, Director

In response to your request for a Fiscal Note on Senate Joint Resolution No. 4 (proposing a constitutional amendment authorizing the issuance of \$750 million in state general obligation bonds to assist school districts in financing facilities and repealing the authorization for \$750 million in state revenue bonds guaranteed by the permanent school fund) this office has determined the following:

The resolution proposes a constitutional amendment which, if adopted, would authorize issuance of general obligation bonds for a school facilities program.

The state would incur costs associated with debt service on general obligation bonds issued to support a school facilities program. The Comptroller's Office projects debt service costs of \$33.8 million in 1994, and \$67.5 million thereafter. The costs could be less in early years depending on how long it takes to make the program operational. Actual costs would depend on the level of appropriations.

Local school districts would benefit to the extent they receive state assistance in constructing and renovating school facilities.

The cost of publication of the resolution to the State is \$60,000.

Source: Comptroller of Public Accounts, Teacher Retirement System, Bond Review Board;  
LBB Staff: JO, JWH, JOB, EC, PA

## **LEGISLATIVE BUDGET BOARD**

### **EQUALIZED EDUCATION FUNDING IMPACT STATEMENT**

February 1, 1993

To: Honorable Libby Linebarger, Chair  
Committee on Public Education

In Re: Senate Joint Resolution No. 4,  
as engrossed

By: Bivins

From: Jim Oliver, Director

In response to your request for an Equalized Education Funding Impact Statement on Senate Joint Resolution No. 4, as engrossed (proposing a constitutional amendment authorizing the issuance of \$750 million in state general obligation bonds to assist school districts in financing facilities and repealing the authorization for \$750 million in state revenue bonds guaranteed by the permanent school fund), this office has determined the following:

The resolution proposes a constitutional amendment which, if adopted, would authorize issuance of general obligation bonds for a school facilities program. This provision could have a slight position impact on equity, but it would depend on the actual extent of state assistance received by school districts.

ngel

\_\_\_\_\_  
President of the Senate\_\_\_\_\_  
Speaker of the House

I hereby certify that S.J.R. No. 4 was adopted by the Senate on January 28, 1993, by the following vote: Yeas 30, Nays 1; and that the Senate concurred in House amendments on February 22, 1993, by the following vote: Yeas 29, Nays 2.

\_\_\_\_\_  
Secretary of the Senate

I hereby certify that S.J.R. No. 4 was adopted by the House on February 22, 1993, by the following vote: Yeas 102, Nays 39.

\_\_\_\_\_  
Chief Clerk of the House

, with amendments,

## BILL ANALYSIS

Senate Research Center

S.J.R. 4  
By: Bivins  
Education  
2-1-93  
Engrossed

### BACKGROUND

The 71st Legislature approved a constitutional amendment authorizing the issuance of \$750 million in state revenue bonds guaranteed by the permanent school fund. The amendment was approved by the voters at an election held in November 1989, but the bonds have not been issued.

### PURPOSE

As proposed, S.J.R. 4 requires the submission to the voters of a constitutional amendment to authorize the issuance of \$750 million in state general obligation bonds to assist school districts in financing facilities and repealing the authorization for \$750 million in state revenue bonds guaranteed by the permanent school fund.

### RULEMAKING AUTHORITY

It is the committee's opinion that this bill does not grant any additional rulemaking authority to a state officer, institution, or agency.

### SECTION BY SECTION ANALYSIS

SECTION 1. Amends Section 5(b), Article VII, Texas Constitution, as follows:

(b) Authorizes the legislature to provide for the issuance of general obligation bonds of the state for the purpose of making loans to or purchasing the bonds of school districts for the purpose of acquisition, construction, or improvement of instructional facilities. Authorizes the state to forgive the payment of principal and interest on all or part of a loan made to a school district to finance an instructional facility. Prohibits the amount of bonds issued from exceeding \$750 million. Appropriates out of the first money coming into the state treasury in each fiscal year the amount sufficient to pay the principal and interest on those bonds that mature during that year while any bond issued is outstanding. Deletes provisions requiring the reimbursement from the treasury to the permanent school fund for payments made by the permanent school fund as a result of its guarantee of bonds issued by the state and provisions governing delinquent payments from a school district.

SECTION 2. Requires this proposed amendment to be submitted to the voters on May 1, 1993. Sets forth the required language for the ballot.

## BILL ANALYSIS

Senate Research Center

S.J.R. 4  
By: Bivins  
Education  
2-22-93  
Enrolled

### BACKGROUND

The 71st Legislature approved a constitutional amendment authorizing the issuance of \$750 million in state revenue bonds guaranteed by the permanent school fund. The amendment was approved by the voters at an election held in November 1989, but the bonds have not been issued.

### PURPOSE

As proposed, S.J.R. 4 requires the submission to the voters of a constitutional amendment to authorize the issuance of \$750 million in state general obligation bonds to assist school districts in financing facilities and repealing the authorization for \$750 million in state revenue bonds guaranteed by the permanent school fund.

### RULEMAKING AUTHORITY

It is the committee's opinion that this bill does not grant any additional rulemaking authority to a state officer, institution, or agency.

### SECTION BY SECTION ANALYSIS

SECTION 1. Amends Section 5(b), Article VII, Texas Constitution, as follows:

(b) Authorizes the legislature to provide for the issuance of general obligation bonds of the state for the purpose of making loans to or purchasing the bonds of school districts for the purpose of acquisition, construction, or improvement of instructional facilities. Authorizes the state to forgive the payment of principal and interest on all or part of a loan made to a school district to partially finance an instructional facility. Prohibits the amount of bonds issued from exceeding \$750 million. Appropriates out of the first money coming into the state treasury in each fiscal year the amount sufficient to pay the principal and interest on those bonds that mature during that year while any bond issued is outstanding. Deletes provisions requiring the reimbursement from the treasury to the permanent school fund for payments made by the permanent school fund as a result of its guarantee of bonds issued by the state and provisions governing delinquent payments from a school district.

SECTION 2. Requires this proposed amendment to be submitted to the voters on May 1, 1993. Sets forth the required language for the ballot.

### SUMMARY OF HOUSE FLOOR AMENDMENTS

The required language for the constitutional amendment ballot was amended by the house. Other house floor amendments are reflected in this revised bill analysis.



## BILL ANALYSIS

Senate Research Center

S.J.R. 4  
By: Bivins  
Education  
8-31-93  
Enrolled

### BACKGROUND

The 71st Legislature approved a constitutional amendment authorizing the issuance of \$750 million in state revenue bonds guaranteed by the permanent school fund. The amendment was approved by the voters at an election held in November 1989, but the bonds have not been issued.

### PURPOSE

As enrolled, S.J.R. 4 requires the submission to the voters of a constitutional amendment to authorize the issuance of \$750 million in state general obligation bonds to assist school districts in financing facilities and repealing the authorization for \$750 million in state revenue bonds guaranteed by the permanent school fund.

### RULEMAKING AUTHORITY

It is the committee's opinion that this bill does not grant any additional rulemaking authority to a state officer, institution, or agency.

### SECTION BY SECTION ANALYSIS

SECTION 1. Amends Section 5(b), Article VII, Texas Constitution, as follows:

(b) Authorizes the legislature to provide for the issuance of general obligation bonds of the state for the purpose of making loans to or purchasing the bonds of school districts for the purpose of acquisition, construction, or improvement of instructional facilities. Authorizes the state to forgive the payment of principal and interest on all or part of a loan made to a school district to partially finance an instructional facility. Prohibits the amount of bonds issued from exceeding \$750 million. Appropriates out of the first money coming into the state treasury in each fiscal year the amount sufficient to pay the principal and interest on those bonds that mature during that year while any bond issued is outstanding. Deletes provisions requiring the reimbursement from the treasury to the permanent school fund for payments made by the permanent school fund as a result of its guarantee of bonds issued by the state and provisions governing delinquent payments from a school district.

SECTION 2. Requires this proposed amendment to be submitted to the voters on May 1, 1993. Sets forth the required language for the ballot.

S.J.R. No.

4

By

B

## SENATE JOINT RESOLUTION

proposing a constitutional amendment authorizing the issuance of \$750 million in state general obligation bonds to assist school districts in financing facilities and repealing the authorization for \$750 million in state revenue bonds guaranteed by the permanent school fund.

1-18-93

Filed with the Secretary of the Senate

JAN 19 1993

Read and referred to Committee on EDUCATION

JAN 26 1993

Reported favorably

Reported adversely, with favorable Committee Substitute; Committee Substitute read first time.

Ordered not printed

Laid before the Senate

JAN 28 1993

Senate and Constitutional Rules to permit consideration suspended by:

unanimous consent

\_\_\_\_ years, \_\_\_\_ nays

JAN 28 1993

Read second time, \_\_\_\_\_, and ordered engrossed by:

unanimous consent  
a viva voce vote

\_\_\_\_ years, \_\_\_\_ nays

Caption ordered amended to conform to the body of the bill.

JAN 28 1993

Senate and Constitutional 3 Day Rule suspended by a vote of 31 yeas, 0 nays.

JAN 28 1993

Read third time, \_\_\_\_\_, and passed by: 30 yeas, 1 nays

Betty King

SECRETARY OF THE SENATE

## OTHER ACTION:

Jan. 28, 1993

Engrossed

Jan. 29, 1993

Sent to House

Engrossing Clerk

JAN 29 1993

Received from the Senate

JAN 29 1993

Read first time and referred to Committee on

Public Education

FEB 15 1993

Reported favorably ~~amended~~, sent to Printer

4:40 pm

FEB 15 1993

Printed and Distributed

7:08 pm

FEB 16 1993

Sent to Committee on Calendars

10:10 Am

FEB 18 1993

Read Second time (amended) and finally adopted

failed adoption by Record Vote of 93 yeas, 40 nays 1 present not voting.

FEB 22 1993

Read third time (amended) and finally adopted

failed adoption by Record Vote of 103 yeas, 39 nays 0 present not voting.

FEB 22 1993

Caption ordered amended to conform to body of bill.

FEB 22 1993

Returned to Senate.

Betty Manning

CHIEF CLERK OF THE HOUSE

Returned from House without amendment.

FEB 22 1993

Returned from House with 4 amendments.

FEB 22 1993

Concurred in House amendments by a viva voce vote

21 yeas, 2 nays.

consent

\_\_\_\_\_ Refused to concur in House amendments and requested the appointment of a Conference Committee to adjust the differences.

\_\_\_\_\_ Senate conferees instructed.

\_\_\_\_\_ Senate conferees appointed: \_\_\_\_\_, Chairman; \_\_\_\_\_, \_\_\_\_\_, and \_\_\_\_\_.

\_\_\_\_\_ House granted Senate request. House conferees appointed: \_\_\_\_\_, Chairman; \_\_\_\_\_.

\_\_\_\_\_ Conference Committee Report read and filed with the Secretary of the Senate.

\_\_\_\_\_ Conference Committee Report adopted on the part of the House by: \_\_\_\_\_.

{ a viva voce vote  
\_\_\_\_\_ yeas, \_\_\_\_\_ nays

\_\_\_\_\_ Conference Committee Report adopted on the part of the Senate by: \_\_\_\_\_.

{ a viva voce vote  
\_\_\_\_\_ yeas, \_\_\_\_\_ nays

**OTHER ACTION:**

\_\_\_\_\_ Recommitted to Conference Committee

\_\_\_\_\_ Conferees discharged.

\_\_\_\_\_ Conference Committee Report failed of adoption by: \_\_\_\_\_.

{ a viva voce vote  
\_\_\_\_\_ yeas, \_\_\_\_\_ nays

93 FEB 15 PH 7:08

HOUSE OF REPRESENTATIVES

AD

83